



MEMORANDUM

DRAFT

Date: 11/2/06

To: David Kennedy

From: Ken Buckland

RE: Aerovox Reuse Study; Moving the process forward

Copies: Aerovox team

Superfund Records Center
SITE: Aerovox
PIT: 8-8
CITY: New Bedford

This memo outlines findings, ideas and a strategy for the City of New Bedford to utilize as it relates to the Aerovox Reuse Planning Study.

As indicated in the scope of services between the Cecil Group and the City of New Bedford four tasks are to be accomplished to complete this planning study. For each task a summary of what has occurred to date and what issues have been discovered relative to moving this project forward to completion are provided here.

Task 1 is Existing Conditions. The discovery that occurred through this task has brought to light many issues that could be considered significant obstacles for moving the reuse plan forward. Key is that the pre-development analysis completed by FXM Associates for commercial and retail projects on the site provides a picture of the very weak market for the reuse of this property for industrial, commercial or retail uses. Other key parameters defining the possible redevelopment options include:

- Floodplain and wetland buffers extend across the eastern portion of the property. These are restrictive in that they require mitigation to be included in the design and responsive to any development impacts.
- Access and activities in the river has been determined as inappropriate by the EPA. The river would require dredging to accommodate boats with more than the smallest draft, the sediments are contaminated, and the bridge presents an obstacle for passage to the harbor.
- The previous building foundation remains on the site in the clean-up action being proposed by the EPA. This should not cause a problem for construction of buildings, if the materials that are used to backfill the foundation are properly handled and compacted for structural support. Activities proposed by the EPA are intended to eliminate the risk to public health presented by the building's current state and not intended to address concerns related to site remediation. While the proposed capping of the site would restrict access to contaminated soils, it should be noted that groundwater contamination may also require additional remediation prior to redevelopment. The presence of chlorinated solvents in groundwater potentially poses a risk to indoor air quality, by means of vapor intrusion, and may require future remediation of groundwater and/or implementation of engineering controls to mitigate those risks. Regardless of the approach to the issue of indoor

air quality, final closure of the project would likely include a long-term groundwater monitoring plan to support reuse of the site.

- Contacts with the nearby and abutting industrial operations found concerns about the clean-up and reuse options for the site, preferring a safe conclusion and desiring a reasonable reuse plan. Specific concerns included the health of the abutters' workers during the clean up and an ability to obtain some small portion of additional off-street parking after the clean up.
- The rights of way shown on either side of the property, Ingraham and Hadley, are private and apparently abandoned. However, on the Ingraham side the former right of way is being used for parking by the adjacent industrial use, which raises several legal questions as to the original form of the easement and the impacts of clean up and construction on the adjacent use.

Task II is Alternatives. Using these findings and current urban design standards, the Cecil Group illustrated potential redevelopment options. Regardless of the restriction on residential use as not readily compatible with the level of proposed clean up on the site and not producing the desired jobs and taxes associated with industrial use, the design alternatives included residential to consider a wider variety of options. The team prepared three different major alternatives, with sub-alternatives, as attached and described below.

Alternate 1: Industrial/Commercial Development – The configuration is a long building on the southern side of the property, extending from the street frontage to the river buffer, with grade-level parking on the northern half. Total square footage of building space would be approximately 155,000 square feet as retail and/or office space, with about 450 parking spaces, which maximizes the lot development. The space is broken up to accommodate five units varying from 20,000 square feet to 55,000 square feet. The largest unit could house a grocery store. Its location within the floodplain is not significant since commercial space may be 'flood-proofed' to meet floodplain regulations. The building footprint could expand to about 200,000 square feet for industrial space, with a consequent reduction in parking area.

Standards:

Square Footage/parking space: 300

Parking Spaces for Retail: 3 spaces/1000 SF

Shown:

Building Area: 155,000 GSF

Required Parking: 465 spaces

Parking Provided: 138,000 GSF = 460 spaces

Alternate 2: Neighborhood Commercial and Riverfront Commercial – This configuration shows a street front commercial building that would face Belleville Avenue to obtain maximum exposure to passing traffic. The footprint accommodates 40,000 square feet that could be broken up in two to four retail storefronts of 5,000 to 20,000 square feet each. If expanded to 45,000 square feet total, the building could

house one of the smaller, specialty grocery stores. The building on the waterfront could be office, with a portion possibly set aside for a restaurant. The 30,000 square foot footprint of the building on the riverfront is positioned for the views across the river and is maximized as three stories with the upper floors available for office, industrial and possibly residential use. The footprint could be expanded into the floodplain area, if the building is 'flood-proofed' as previously suggested. The parking area of 400 spaces meets the demand of 360 spaces for the riverfront building and the street front retail building. In this alternative, the additional parking spaces provided could be offered to the adjacent uses.

Standards:

Square Footage/parking space: 300

Parking Spaces for Retail: 3 spaces/1000 SF

Shown:

Building A (on the street): 40,000 GSF

Building B: Each floor plate is 30,000 GSF = 90,000 GSF

Required Parking: 360 spaces

Parking Provided: 120,000 GSF = 400 spaces

Alternate 3: Mixed Use as Retail/Office/Residential – The third alternative is not considered fully appropriate because the mix of uses shows residential units. However, based on the need to fully explore the redevelopment alternatives, this option was considered as an alternative concept. The concept shows 65,000 square feet per floor of building space that could create 180 residential units in four floors or 260,000 square feet of commercial space. Also shown are 380 parking spaces, which is sufficient to accommodate the mix with residential uses but would require twice as many spaces for full commercial use, or smaller buildings, say only three floors. This concept could be altered to include ground floor retail in the building on the street, which would create approximately 35,000 square feet of retail and reduce the number of units to about 150. The configuration of the buildings is used to maximize views from each office or residential unit and to keep the buildings out of the floodplain area where the optional use may be residential.

Standards:

Unit Size: 1,100 NSF

Residential Efficiency: 85%

Square Footage/parking space: 300

Parking Spaces/unit: 1.5

Parking Spaces for commercial: 3 spaces/1000 SF

Shown:

Building A (on the street): Each floor plate is 40,000 GSF = 30 units/floor.

Building B: Each floor plate is 25,000 GSF = 20 units/floor.

Parking: 110,000 GSF = 367 spaces

150 Units, 35,000 GSF commercial

Total parking: 225 residential + 140 commercial = 365 spaces with 380 shown

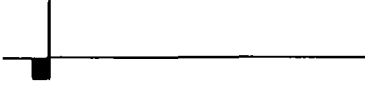
Task III is Development Guidelines. Development guidelines have been discussed, but have been minimized by the most appropriate and best use for the parcel limited by the current market conditions. In addition, the bundling of the reuse with the clean up in the RFP process has made this a less attractive opportunity for consideration.

For **Task IV, Public Meetings,** the Scope of Work provides the public with information about the project, as well as providing opportunities for public input, associated with planning for cleanup and redevelopment of the site. Given the current political and community climate in New Bedford relative to redevelopment of 'clean' sites, such as the Keith Middle School, the ability to conduct the public meetings has been non-existent. In addition, the immediate safety risk being posed to abutting property owners and residents has clouded the ability to discuss the reuse of this parcel in a rational manner.

Conclusions and Recommendations

The Cecil Group team has concluded that there are several obstacles in planning the reuse of the Aerovox property:

- **The level to which the EPA will fund the removal and any remediation that occurs at this site.** The ramifications of the EPA's current plan to bury the building on-site and cap the space has caused a significant barrier to moving a reuse strategy forward that would be acceptable to the public. Even if existing building materials were removed from the site, soil and groundwater conditions at the site suggest that additional remediation activities may be required to support reuse of the subject property.
- **The current value of the property for redevelopment.** This information was established in the market report and impacts the potential responses to any RFP. Although one developer, Environmental Liability Transfer of St Louis, has expressed interest to the EPA, a phone conversation with that developer has confirmed that their plans include warehouse storage managed as a business-to-business enterprise and use of the waterside for boating activities. With existing, vacant storage space in the area and the restriction on use of the river, this option is not seen as a strong contender.
- **No example of a project such as Aerovox moving forward into reuse.** The other sites presented as examples by the EPA are very different in nature than Aerovox (see market study) and no other similar projects have been discovered. Without a marketable example, there is a higher risk in proceeding with this process.
- **Consideration for future use as defined in the Master Plan.** The process that the City is currently completing to define the long-term future of the neighborhoods



may ultimately have an impact on the recommended land use for this neighborhood and site. Although not actually an obstacle, the results could suggest a different plan than the one that evolves from the RFP and bidding process.

- **The bundled RFP bid process may conflict with market realities.** Putting the clean-up RFP together with a reuse RFP, for uses that have limited marketability, may put the remediation proposal at risk. Although there are benefits to prior knowledge of the reuse and handling the remediation action accordingly, no similar project has been discovered with these unique conditions. If one aspect is too costly or infeasible, bidding on the other may be made moot. Since the remediation is covered by federal funds, the risk is in the reuse project. In order for a redevelopment project of this magnitude to be successful it is important to closely integrate remediation and development concepts. Remediation strategies should be “tailored” to fit development plans to the extent possible. Once a marketable reuse is determined for the site and/or a preferred developer is identified, remediation strategies can be developed to support the intended reuse.

The results of these conditions are that the City is facing the prospect that:


- The EPA’s proposed clean-up action will continue to be controversial and impact the reuse process.
- The RFP bids have the potential to be very limited if the remediation contract is coupled with the redevelopment planning.
- The City may be left with a parcel of land that remains unproductive in the near term.

In response to these obstacles, and the related consequences of this action, we recommend that the City of New Bedford through the Mayor, City Solicitor, Director of Planning and other appropriate elected and staff personnel request that the EPA reconsider its remediation and redevelopment strategy.

The request should be to:

1. Reconsider bundling of the remediation and redevelopment RFPs. There are more developers who are not specialists in remediation who might participate if the site is remediated separately.
2. Appropriate steps should be taken to enable the parcel to be developed for the best use for the long-term economic vitality of this property to the City and for the subsequent developer. Based upon the levels and extent of contamination onsite it is likely infeasible and/or cost prohibitive to remediate the site to background levels. Consideration should be given to a variety of remediation options, which address the building materials as well as the site soil and groundwater conditions. Dependent upon final development options, remediation options will likely include a combination of building material disposal, institutional and engineering controls, groundwater treatment and long-term groundwater monitoring.

In either instance, the possibility is that a zero-cost land transfer will be requested.



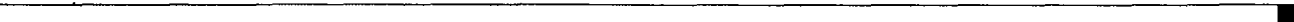
This strategy suggests involvement of the representatives in political office beyond the City of New Bedford to be stewarding this request in partnership with the City leaders.

We recommend the following action steps occur as soon as possible for the leadership of the City of New Bedford:

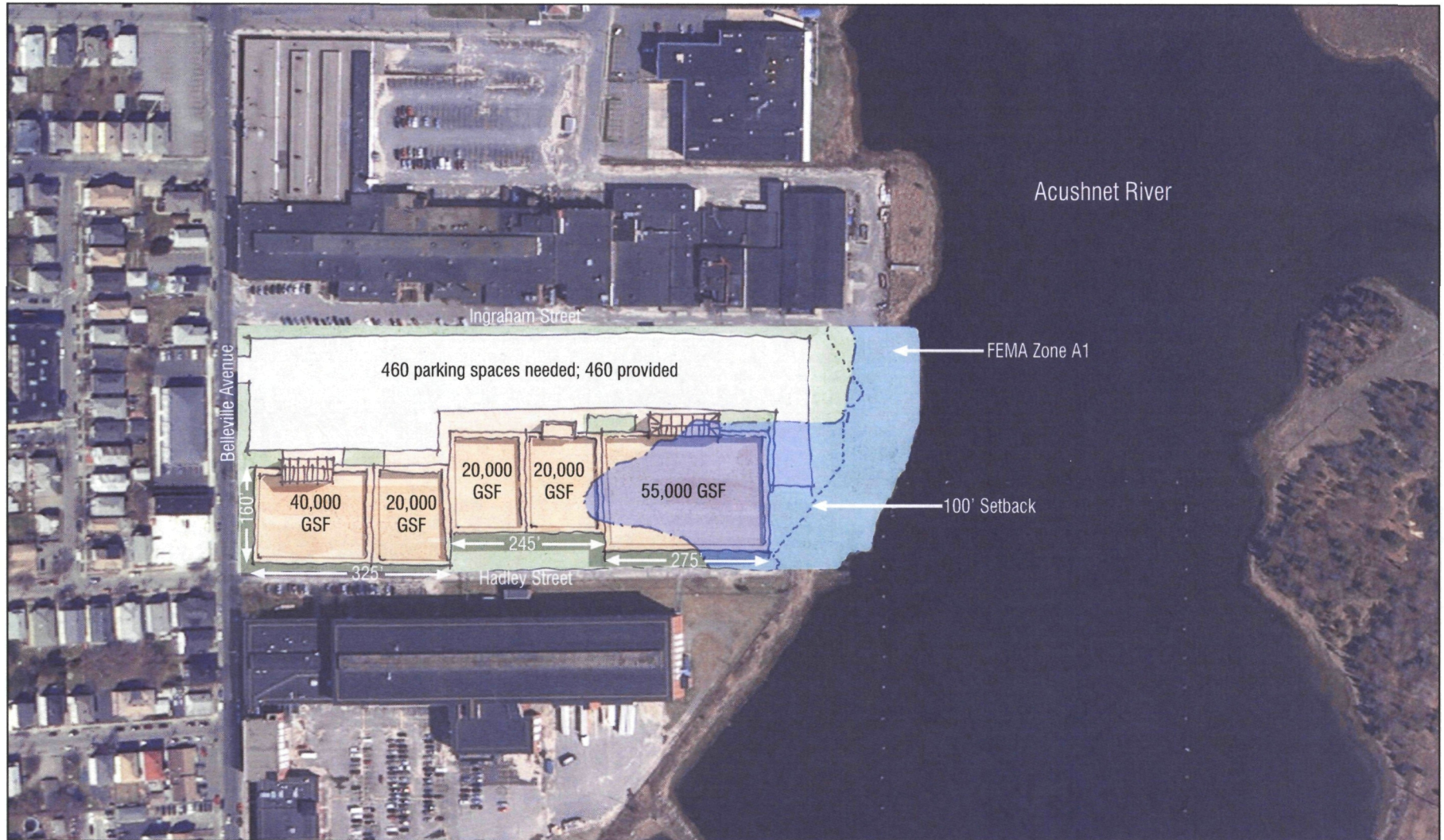
1. Schedule meeting for City of New Bedford representatives including the Mayor, City Solicitor, Director of Planning and other appropriate elected and staff personnel. In addition, representatives in political office beyond the City of New Bedford may be invited to this session.
 - a. Presentation of the findings to date.
 - b. Review the issues relating to the Aerovox site, including:
 - i. Market conditions for reuse
 - ii. Resident and abutter perspectives
 - iii. Opportunities and constraints of the reuse options being considered.
 - c. Develop strategy for presentation to the EPA and designate the appropriate representatives for attendance at this meeting.
2. Presentation to EPA representatives
 - a. Refined presentation to the appropriate EPA officials.
 - b. Review the issues relating to the Aerovox site, including:
 - i. Market conditions for reuse
 - ii. Resident and abutter perspectives
 - iii. Opportunities and constraints of the reuse options being considered.
 - c. Request increasing support for remediation efforts to produce clean and usable space at the Aerovox facility.

Please note that this is not a typical response from the Cecil Group, Inc. or members of our team when we are contracted with a set scope to assist with creating a reuse strategy that should have many benefits for a community. But given the unique conditions that are interacting around this parcel, we believe that the best interest of our client, the City of New Bedford, is requesting a redirection of resources to remediate and redevelop this site.

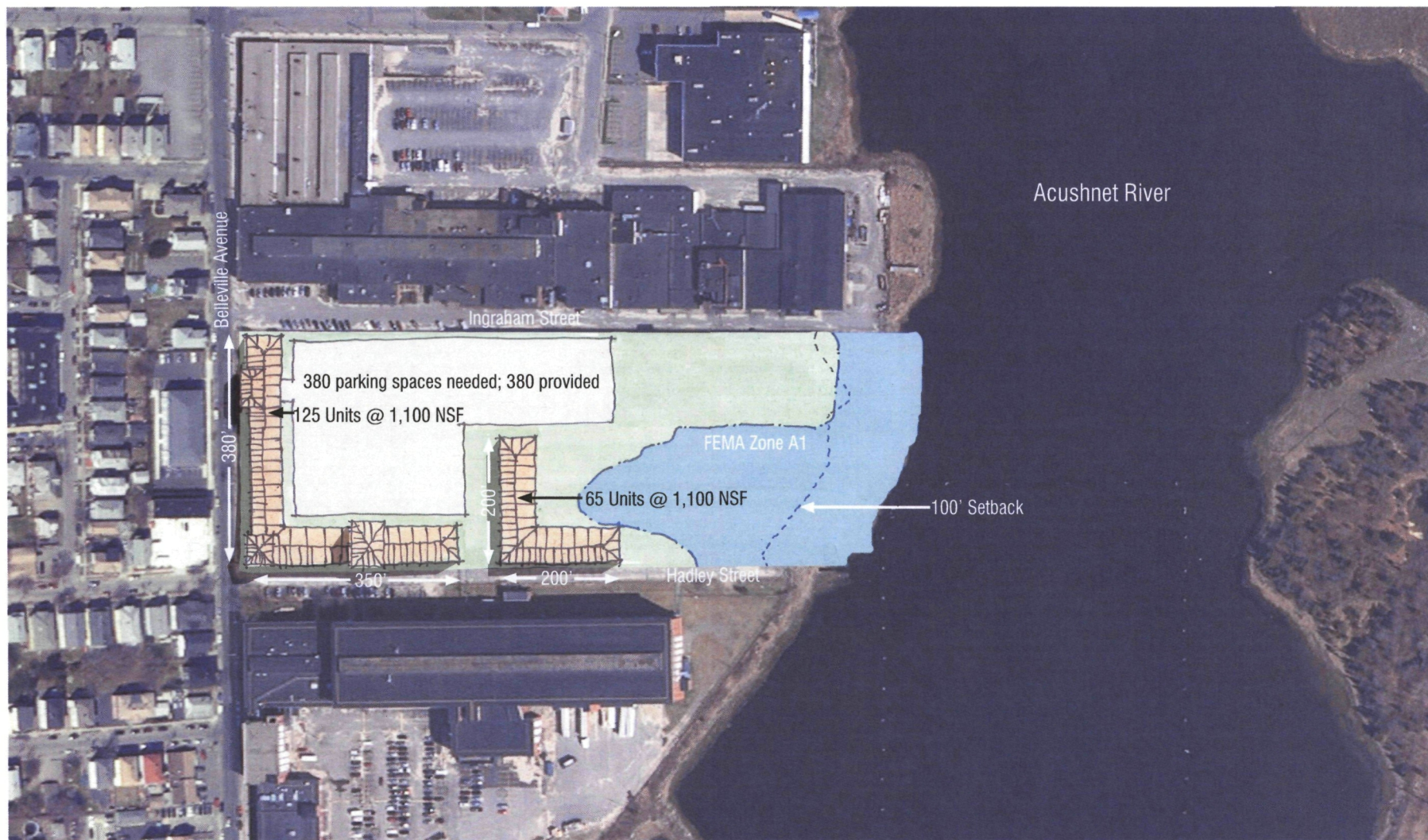
If these proposed steps appear correct in your estimation, we will amend the contract at your discretion to include the additional actions that include the Cecil Group team's participation.



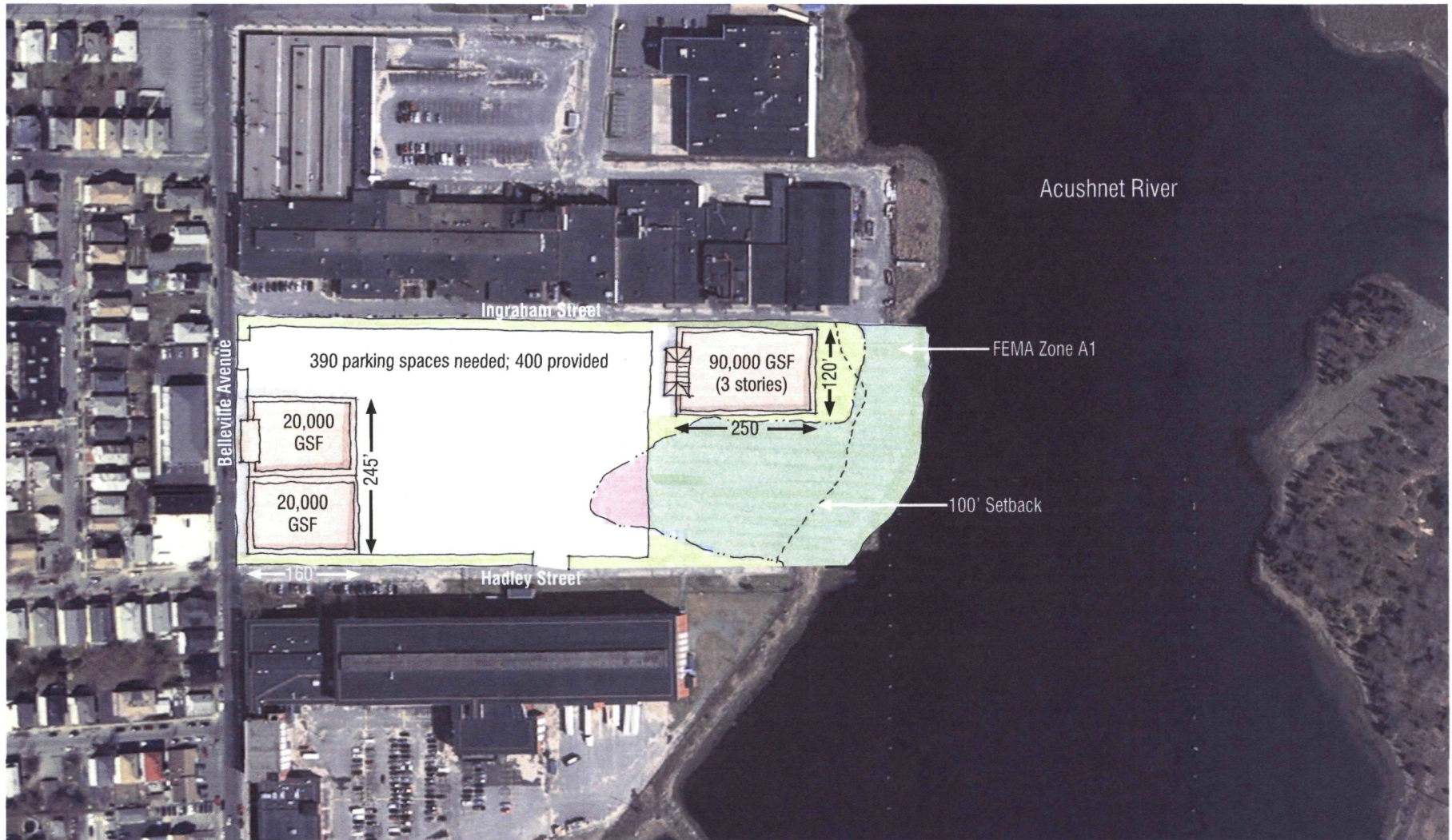
COMMERCIAL OPTION



RESIDENTIAL OPTION



COMMERCIAL OPTION 2





"David A. Kennedy"
<David.Kennedy@ci.new-bedford.ma.us>

12/19/2006 01:21 PM

To "Morin, Gary P NAE"
<Gary.P.Morin@nae02.usace.army.mil>, Dave
Dickerson/R1/USEPA/US@EPA, Cynthia

cc

bcc

Subject RE: Marketing Study from the Cecil Group

David and All:
As promised this AM.
David Kennedy

-----Original Message-----

From: Morin, Gary P NAE [mailto:Gary.P.Morin@nae02.usace.army.mil]
Sent: Monday, December 18, 2006 12:00 PM
To: dickerson.dave@epamail.epa.gov; Catri.Cynthia@epamail.epa.gov;
Peterson.David@epamail.epa.gov; Greendlinger.Stacy@epamail.epa.gov;
Scott Alfonse; Jane Medeiros Friedman; Irene B. Schall; David A.
Kennedy; Anderson, Mark J Jr NAE; L'Heureux, Paul G NAE;
joseph.coyne@state.ma.us; buckland@cecilgroup.com
Subject: RE: agenda for 12/19 conf. call (UNCLASSIFIED)
Importance: High

Classification: UNCLASSIFIED
Caveats: NONE

All - Please note there is a change this week with the conference line. For this week only, please dial into 978/318-8024 at 9:30 AM on Tuesday. Sorry for the confusion.

Gary

-----Original Message-----

From: dickerson.dave@epamail.epa.gov [mailto:dickerson.dave@epamail.epa.gov]
Sent: Friday, December 15, 2006 3:31 PM
To: Catri.Cynthia@epamail.epa.gov; Peterson.David@epamail.epa.gov;
Greendlinger.Stacy@epamail.epa.gov; scott.alfonse@ci.new-bedford.ma.us;
jmedeirosfriedman@ci.new-bedford.ma.us; ibschall@ci.new-bedford.ma.us;
david.kennedy@ci.new-bedford.ma.us; Morin, Gary P NAE; Anderson, Mark J Jr
NAE; L'Heureux, Paul G NAE; joseph.coyne@state.ma.us; buckland@cecilgroup.com
Subject: agenda for 12/19 conf. call

Hello all - here's the updated agenda for Tuesday's call.

David K. - any chance you could forward the marketing report prior to the call?

Talk to you on Tuesday - Dave D.

Aerovox Weekly Conference Call - 12/5/06

1. Site security
 - resecure double lock on fence gate